



**DATE:** November 10, 2008

**TO:** City Manager for Council Action

**FROM:** Director of Streets & Automotive Services

**SUBJECT:** Public Hearing: Approve Non-Exclusive Franchise Agreements for Hauling Industrial Refuse and Recyclables from January 1, 2009 through December 31, 2011 with Eight (8) Companies

**EXECUTIVE SUMMARY:**

Eight companies have submitted requests to be granted non-exclusive franchise agreements for hauling industrial refuse and recyclables in accordance with Section 8.25.190 of the City Code. All eight submittals contained the necessary information to process application requests. A list of companies that submitted applications is attached (Exhibit A). On October 14, 2008, Council passed a Resolution of Intention to grant franchises per the requirements set forth in Section 8.25.240 of the City Code. The Resolution required the City Clerk to publish notice and set a hearing date for December 2, 2008.

Nine companies have current non-exclusive franchise agreements that are set to expire December 31, 2008. Six of the current non-exclusive franchise haulers have requested to renew their agreements, while the other three are either no longer in business or have elected not to pursue business in the City of Santa Clara. California Waste Solutions, Inc. and Qualified Trucking, Inc. are the two new haulers requesting non-exclusive franchise agreements. The new non-exclusive franchise agreements will have an effective date of January 1, 2009 and expire on December 31, 2011. Copies of the agreements have been placed in Council Offices for review.

**ADVANTAGES AND DISADVANTAGES OF ISSUE:**

Granting non-exclusive franchises to a number of companies allows businesses to select a hauler of their choice based on cost and quality of service. The industrial businesses wholly support this program. The disadvantages are that a number of refuse collection vehicles may use the same streets each day to collect from businesses in adjacent locations, creating minor additional traffic.

**ECONOMIC/FISCAL IMPACT:**

The non-exclusive franchise hauler system enables industrial customers to obtain competitive pricing and a level of service that best meets their disposal and recycling needs. The non-exclusive franchise haulers cumulatively pay the City approximately \$1,000,000 in franchise fees, annually under the current agreements. The franchise fee structure will not be changed under the new agreement, so revenues should remain unchanged.

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Page 2

**RECOMMENDATION:**

That the Council approve and authorize the City Manager to execute non-exclusive franchise agreements for hauling industrial refuse and recyclables with Premier Recycle, Mission Trail Waste Systems, California Waste Solutions, Inc., Stevens Creek Disposal & Recycling, Allied Waste Services of North America, LLC, Qualified Trucking, Inc., Greenwaste Recovery, Inc., and Pacific Coast Recycling, Inc. for the period beginning January 1, 2009 and ending December 31, 2011.

  
Richard J. Mauck  
Director of Streets & Automotive Services

APPROVED:

  
Jennifer Sparacino  
City Manager

***Documents Related to this Report:***

- 1) Exhibit A – List of Haulers***
- 2) Franchise Agreements***

**CITY OF SANTA CLARA**  
**NON-EXCLUSIVE FRANCHISE HAULERS (INDUSTRIAL ZONED PROPERTIES ONLY)**  
**EXHIBIT A (Updated November 2008)**

Allied Waste Services of North America, LLC  
 1601 Dixon Landing Road, Bldg. 1  
 Milpitas, CA 95035  
 Phone: 408-432-1234  
 Fax: 408-635-1486  
 Contact: Gil Cheso, General Manager

California Waste Solutions, Inc.  
 1005 Timothy Drive  
 San Jose, CA 95133  
 Phone: 408-292-0830  
 Fax: 408-292-0833  
 Contact: Joel Corona, Chief Operations Officer

Green Waste Recovery, Inc.  
 625 Charles Street  
 San Jose, CA 95112  
 Phone: 408-938-4902  
 Fax: 408-287-3108  
 Contact: Frank Weigel, Chief Operating Officer

Los Altos Garbage Company dba  
 Stevens Creek Disposal & Recycling  
 650 Martin Avenue  
 Santa Clara, CA 95050  
 Phone: 408-588-7224  
 Fax: 408-969-0340  
 Contact: Mark Arseneault, General Manager

Mission Trail Waste Systems  
 1060 Richard Avenue  
 Santa Clara, CA 95050  
 Phone: 408-727-5365  
 Fax: 408-727-7730  
 Contact: Louie Pellegrini, President

Qualified Trucking, Inc.  
 270 Sunol Street  
 San Jose, CA 95126  
 Phone: 408-279-0600  
 Fax: 408-998-1400  
 Contact: Emiliano Gomez, President

Pacific Coast Recycling  
 5895 Obata Way  
 Gilroy, CA 95020  
 Phone: 408-848-6811  
 Fax: 408-848-8987  
 Contact: Carl Salinas, CEO

The Jonna Corporation dba  
 Premier Recycle  
 348 Phelan Avenue  
 San Jose, CA 95112  
 Phone: (408) 297-7915  
 Contact: Rocky Hill, Owner

**CITY OF SANTA CLARA**  
**AGENDA MATERIAL ROUTE SHEET**

Council Date: December 2, 2008

**SUBJECT:** Public Hearing: Approve Non-Exclusive Franchise Agreements for Hauling Industrial Refuse and Recyclables from January 1, 2009 through December 31, 2011 with Eight (8) Companies

**CERTIFICATION**

The proposed Non-Exclusive Franchise Agreements  
Regarding Hauling Industrial Refuse and Recyclables  
has been reviewed and is hereby certified.

**PUBLICATION REQUIRED:**

The attached Notice/Resolution/Ordinance is to be published \_\_\_\_\_ time(s) at least \_\_\_\_\_ days before the scheduled meeting/public hearing/bid opening/etc., which is scheduled for \_\_\_\_\_, 200\_\_.

**AUTHORITY SOURCE FOR PUBLICATION REQUIREMENT:**

**Federal Codes:**

Title \_\_\_\_\_ U.S.C. § \_\_\_\_\_  
(Titles run 1 through 50)

**California Codes:**

Code \_\_\_\_\_ § \_\_\_\_\_  
(i.e., Government, Street and Highway, Public Resources)

**Federal Regulations:**

Title \_\_\_\_\_ C.F.R. § \_\_\_\_\_  
(Titles run 1 through 50)

**California Regulations:**

Title \_\_\_\_\_ California Code of Regulations § \_\_\_\_\_  
(Titles run 1 through 28)

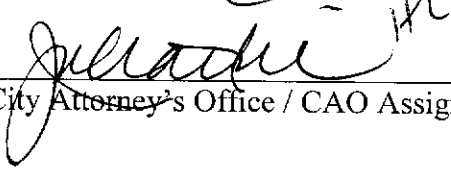
**City**

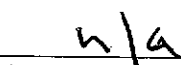
City Charter § \_\_\_\_\_ (i.e., 1310. Public Works Contracts. Notice published at least once at least ten days before bid opening)

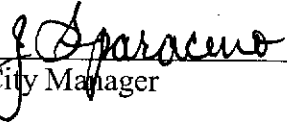
City Code § \_\_\_\_\_

1. As to City Functions, by
2. As to Legality, by
3. As to Environmental  
Impact Requirements, by
4. As to Substance, by

  
Department Head

  
City Attorney's Office / CAO Assignment No 08.1468

  
Director of Planning and Inspection

  
City Manager

Revision Date June 7, 2005